

# SENATE RECORD VOTE ANALYSIS

105th Congress  
1st Session

Vote No. 142

June 27, 1997, 10:27 am  
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## TAXPAYER RELIEF ACT/Discretionary Cut Enforcement Measures

**SUBJECT:** Taxpayer Relief Act of 1997 . . . S. 949. Gramm motion to waive section 313(b)(1)(A) of the Budget Act for the consideration of the Gramm amendment No. 566.

### ACTION: MOTION REJECTED, 37-63

**SYNOPSIS:** As reported, S. 949, the Taxpayer Relief Act of 1997, will provide net tax relief of \$76.8 billion over 5 years and \$238 billion over 10 years. The cost will be more than offset by the economic dividend (\$355 billion over 10 years) that will result from balancing the budget in fiscal year (FY) 2002. This bill will enact the largest tax cut since 1981 and the first tax cut since 1986. It will give cradle-to-grave tax relief to Americans: it will give a \$500-per-child tax credit, education tax relief, savings and investment tax relief, retirement tax relief, and estate tax relief. Over the first 5 years, approximately three-fourths of the benefits will go to Americans earning \$75,000 or less. It will eliminate a third of the increased tax burden imposed by the 1993 Clinton tax hike, which was the largest tax hike in history.

**The Gramm amendment** would make the following procedure changes:

- for any year that the deficit targets were not reached, across-the-board cuts would be made in discretionary spending to eliminate the excess spending;
- tax cuts could be offset by reductions in discretionary spending; and
- if tax cuts were offset by reductions in discretionary spending, equal reductions in the spending caps would be made to ensure that spending stayed at a reduced level.

The Gramm amendment was offered after all debate time had expired. However, by unanimous consent some debate was permitted. After debate, Senator Lautenberg raised a point of order that the amendment violated section 313(b)(1)(A) of the Budget Act. Senator Gramm then moved to waive that section for the consideration of the amendment. Generally, those favoring the motion to waive favored the amendment; those opposing the motion to waive opposed the amendment.

**NOTE:** A three-fifths majority (60) vote is required to waive section 313(b)(1)(A) of the Budget Act. After the vote, the point of order was sustained, and the amendment thus fell.

(See other side)

YEAS (37)			NAYS (63)			NOT VOTING (0)	
Republicans (36 or 65%)	Democrats (1 or 2%)		Republicans (19 or 35%)	Democrats (44 or 98%)		Republicans (0)	Democrats (0)
Abraham	Helms	Hollings	Bennett	Akaka	Johnson		
Allard	Hutchinson		Burns	Baucus	Kennedy		
Ashcroft	Hutchison		Campbell	Biden	Kerrey		
Bond	Inhofe		Chafee	Bingaman	Kerry		
Brownback	Kempthorne		Cochran	Boxer	Kohl		
Coats	Kyl		D'Amato	Breaux	Landrieu		
Collins	Lott		DeWine	Bryan	Lautenberg		
Coverdell	Mack		Domenici	Bumpers	Leahy		
Craig	McCain		Gorton	Byrd	Levin		
Enzi	McConnell		Jeffords	Cleland	Lieberman		
Faircloth	Nickles		Lugar	Conrad	Mikulski		
Frist	Santorum		Murkowski	Daschle	Moseley-Braun		
Gramm	Sessions		Roberts	Dodd	Moynihan		
Grams	Shelby		Roth	Dorgan	Murray		
Grassley	Smith, Bob		Smith, Gordon	Durbin	Reed		
Gregg	Thomas		Snowe	Feingold	Reid		
Hagel	Thompson		Specter	Feinstein	Robb		
Hatch	Thurmond		Stevens	Ford	Rockefeller		
			Warner	Glenn	Sarbanes		
				Graham	Torricelli		
				Harkin	Wellstone		
				Inouye	Wyden		

#### EXPLANATION OF ABSENCE:

- 1—Official Business
- 2—Necessarily Absent
- 3—Illness
- 4—Other

#### SYMBOLS:

- AY—Announced Yea  
AN—Announced Nay  
PY—Paired Yea  
PN—Paired Nay

**Those favoring** the motion to waive contended:

We are not as enamored of the plan to balance the budget as some of our colleagues on both sides of the aisle are. We are well aware that when the budget resolution passed, nearly all of the savings that were achieved were from making favorable assumptions about the economy. A net cut in spending of only \$7 billion was planned. Now that we are considering the reconciliation bills, we have already reduced those \$7 billion in real savings down to \$1 billion. Still, there is much to commend in both reconciliation bills. Hard choices were made in mandatory spending, and real tax relief is being given on this bill to working families. The provisions in the amendment just passed are intended to make sure that we do not abandon the balanced budget plan in future years by increasing deficit spending. Without the Domenici/Lautenberg amendment, such increased spending would be virtually guaranteed. Congress has had a hard enough time coming up with a net real savings of \$1 billion and enough assumed savings to balance the budget; it's natural tendency is always to spend more money. We support the provisions of the previous amendment, and we would like to add additional budget enforcement mechanisms that would both make it harder for Congress to abandon the balanced budget plan, and would also make it easier for it to cut discretionary spending. Under the Gramm amendment, failing to meet the deficit targets would result in across-the-board cuts in discretionary spending. We had such caps before, but Congress repealed them when it came time to enforce them. Times have changed; Congress is much more fiscally conservative and thus much more likely to enforce any necessary cuts instead of changing the law to continue deficit spending. The Gramm amendment would also make it possible to cut discretionary spending to give people more tax relief. The concern expressed by some of our colleagues is that cutting discretionary spending would result in just 1-year savings; however, under this amendment future year savings would be locked in too by lowering the spending caps in those years. This amendment would make future tax and spending cuts more likely, and would help enforce the balanced budget plan. We urge Senators to waive the Budget Act for its consideration.

**Those opposing** the motion to waive contended:

We oppose both parts of the Gramm amendment. Discretionary spending cuts should not be used to pay for tax cuts, because such spending cuts must be enacted year after year to continue, but tax cuts stay in effect until they are repealed. When appropriations bills are considered each year, it is very difficult to get Senators to vote for reductions; the pressure is always to increase spending. Our fear, therefore, is that passing this part of the Gramm amendment would result in deficit spending. We also object to using across-the-board discretionary spending cuts to enforce spending caps on the simple rationale that we have tried that approach before in the Gramm-Rudman-Hollings law and it did not work. Congress made wildly optimistic economic forecasts to justify high spending, and then when those forecasts proved wrong it understandably was not willing to make the huge draconian cuts that would have been necessary to get rid of the deficit spending. Congress should not cripple the operations of Government to balance the budget. We sympathize with the motivation of our colleagues, but we believe that their amendment would not work as intended, and we must therefore vote against the motion to waive.